

State of Utah DEPARTMENT OF COMMERCE Office of Consumer Services

MICHELE BECK Director

To: Utah Public Service Commission

From: Utah Office of Consumer Services

Michele Beck, Director Béla Vastag, Utility Analyst

Date: June 11, 2019

Re: Application of Dominion Energy Utah for Approval of a Special Contract with

Fleet Saver, LLC for RNGT Service

Docket No. 19-057-11

Background

On April 11, 2019, Dominion Energy Utah (DEU or Company) filed an application requesting that the Utah Public Service Commission (Commission) approve a contract that DEU had entered into with Fleet Saver, LLC for the transportation of renewable natural gas (RNG) to DEU-owned natural gas vehicle (NGV) filling stations.

The Commission, on April 29, 2019, issued a Scheduling Order and Notice of Hearing setting forth the following schedule for the case:

Comments May 29, 2019
Reply Comments June 11, 2019

Hearing June 18, 2019



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On May 28, 2019, the Utah Division of Public Utilities (Division or DPU) filed initial comments. The Utah Office of Consumer Services (Office) provides these reply comments in response to the initial comments submitted by the Division.

Responsive Comments

In its comments, the Division states that the risk of harm to existing residential or small commercial NGV customers from the proposed contract with Fleet Saver is low. In addition, the Division also states that the potential additional usage at NGV stations from Fleet Saver customers could significantly benefit these existing customers when NGV rates are reset in DEU's next general rate case. The additional volumes that Fleet Saver may bring to NGV stations could mitigate a potential large increase in NGV rates. The Office agrees with this assessment by the Division, and for that reason, supports the Division's recommendation that the Commission approve the contract with Fleet Saver.

The Division also recommends that the Commission require the Company to file a report after one year of operations to verify that the Fleet Saver program did "not unduly affect current CNG customers".² The Office also supports this recommendation, in particular, the requirement to report "any complaints by "normal" CNG customers and neighboring residents/businesses regarding Fleet Saver usage of the stations."³

Recommendation

The Office recommends that the Commission:

- Approve the Fleet Saver contract because it could provide new volumes to NGV stations and mitigate an increase in NGV rates in DEU's next general rate case.
- Require DEU to submit a one-year operations report as described by the Division.

CC: Chris Parker, Utah Division of Public Utilities Kelly Mendenhall, Dominion Energy Utah

¹ DPU May 28, 2019 comments, page 4.

² Ibid, page 5.

³ Ibid, page 7.